

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 395 – HB 1190

March 15, 2015

SUMMARY OF BILL: Expands the definition of “501(c)(3) organization” to include a non-public school that, prior to submission of an annual event application pursuant to the Tennessee Charitable Gaming Implementation Law, has received federal tax exemption status as a 501(c)(3) organization. Authorizes a non-public school that meets the definitions 501(c)(3) organization as proposed to conduct bingo games as an annual charitable gaming event, provided an annual event application and appropriate fees are submitted to the Secretary of State.

ESTIMATED FISCAL IMPACT:

Increase State Revenue - \$72,000/Charitable Solicitations Fund

Increase State Expenditures - \$4,300/Charitable Solicitations Fund

Assumptions:

- The Department of State (SOS) reports a total of 601 qualifying non-public schools state wide.
- Based on information provided by SOS, twenty percent of eligible schools (or 120) will elect to conduct an annual charitable bingo event.
- SOS indicates the average filing fee for an annual charitable bingo event is \$600.
- The recurring increase in state revenue to the Charitable Solicitations Fund is estimated to be \$72,000 (120 x \$600).
- SOS reports the charitable gaming filing period is open from July 1 to January 31 each year, with the heaviest volume in December and January.
- SOS reports one additional temporary staff position will be required to process the extra volume generated by the bill. The department estimates the temporary staff position will work for a total 300 hours.
- The rate of pay for this part-time position is estimated to be \$14.36 per hour. Such is based on an annual salary of \$28,000 for 1,950 annual hours or work ($\$28,000 / 1,950$ hours).
- The recurring increase in state expenditures from the Charitable Solicitations Fund is estimated to be \$4,308 (300 hours x \$14.36).

CERTIFICATION:

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The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in dark ink, reading "Jeffrey L. Spalding". The signature is written in a cursive, flowing style with a large initial "J" and a long, sweeping underline.

Jeffrey L. Spalding, Executive Director

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